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It is subject to change and Michigan Department
of Treasury approval before it is officially released.

Final forms will be available in early January 2009.

DO NOT FILE THIS DRAFT FORM.

Draft forms that are filed will be rejected by the
Michigan Department of Treasury.

2008 MICHIGAN Historic Preservation Tax Credit Assignment

Issued under authority of Public Act 36 of 2007.

PART 1: ASSIGNOR IDENTIFICATION

1. Assignor Name	2. Tax Year End (MM-DD-YYYY)	3. Federal Employer Identification Number (FEIN) or TR Number
Street Address	4. Project Number	5. Date Project was Certified as Completed (MM-DD-YYYY)
City	6. Organization Type	7. Method Used to Assign Credit
State ZIP Code Country Code	<input type="checkbox"/> Partnership/LLC Partnership <input type="checkbox"/> LLC C Corporation <input type="checkbox"/> S Corporation/LLC S Corporation	<input type="checkbox"/> Alternative Method (attach details) <input type="checkbox"/> Percent of Ownership Method

PART 2: CREDIT CALCULATION

8. State Equalized Value (SEV).....	8. <input type="text" value="00"/>	
9. Qualified Expenditures		9. <input type="text" value="00"/>
10. Multiply line 9 by 25% (0.25)		10. <input type="text" value="00"/>
11. Total amount of credit claimed on U.S. Form 3468, line XX.....		11. <input type="text" value="00"/>
12. Historic Preservation Tax Credit. Subtract line 11 from line 10		12. <input type="text" value="00"/>

PART 3: ASSIGNING THE CREDIT

13.	A Assignee Account Number (FEIN, TR Number or SSN)	B Assignee Name	C Date Assignee's Tax Year Ends (MM-DD-YYYY)	D % of Credit to be Assigned	E Assigned Credit Multiply line 12 by column D.
a					
b					
c					
d					
e					
f					
g					

If more space is needed, attach additional forms.

100%

ASSIGNOR CERTIFICATION. I certify that the information provided on this form is accurate and that the assignees agree that the assigned credit is the amount to be claimed on their individual income, fiduciary or business tax returns.

Assignor's Signature	Date
Assignor's Printed Name	Assignor's Title

Mail completed form to: Michigan Department of Treasury, P.O. Box 30783, Lansing, MI 48909

Instructions for Form 3614

Michigan Historic Preservation Tax Credit Assignment

Purpose

To allow Michigan Business Tax (MBT) filers to calculate and assign the Michigan Historic Preservation Tax Credit. The Michigan Historic Preservation Tax Credit provides tax incentives to rehabilitate historic resources located in Michigan.

Assignment of the Credit

A qualified taxpayer who is a Partnership, Limited Liability Company (LLC), or S Corporation may assign all or a portion of its Michigan Historic Preservation Tax Credit to its partners, members, or shareholders.

The MBT assignor must complete Form 3614 after the State Historic Preservation Office (SHPO) of the Michigan Historical Center issues the certification of completed rehabilitation but before the end of the tax year in which the certificate is issued. The credit assignment cannot be revoked or reassigned. An assigned credit amount must be claimed against the partner's, member's, or shareholder's MBT or Individual Income Tax liability in the fiscal or calendar year that includes the assignor's tax year-end. An Individual must claim the assigned credit amount in the calendar year in which the assignor's tax year ends.

The assigned credit must be based on the partner's, member's, or shareholder's proportionate share of ownership or an alternative method approved by the Michigan Department of Treasury. Once the assignment is approved, the assignor will receive an approval letter from the Department. The assignor must furnish each assignee with a copy of the approval letter to attach to the tax return.

A separate Form 3614 must be completed for each project.

Michigan Historic Preservation Tax Credit

The Michigan Historic Preservation Tax Credit must be claimed in the year that the certification of completed rehabilitation of the historic resource is issued.

Qualified taxpayers may receive a Michigan credit equal to 25 percent of the qualified expenditures. For qualified taxpayers eligible for the federal Rehabilitation Credit under Internal Revenue Code (IRC) 47(a)(2), the Michigan credit is 25 percent of the qualified expenditures less the amount of the federal credit claimed.

The Michigan Historic Preservation Tax Credit is a nonrefundable credit. However, if the credit exceeds the taxpayer's tax liability, the balance of the credit may be carried forward for up to ten years.

NOTE: If the resource is sold or the certification of completed rehabilitation is revoked less than five years after the credit is claimed, a percentage of the credit will be subject to recapture. If the credit has been assigned, the recapture is the responsibility of the assignor.

Eligibility

The Michigan Historic Preservation Tax Credit is available to eligible assignees, owners, or long-term lessees of qualified historic resources who undertake rehabilitation projects that are certified by the SHPO.

Property owners undertaking rehabilitation projects on depreciable properties that qualify for the Federal Historic Preservation Tax Credit must first apply for the federal credit.

Qualified Expenditures

Qualified expenditures are capital expenditures that would qualify under IRC 47(a)(2) except that the expenditures were made for a non-qualifying historic resource under the IRC. A taxpayer with qualified expenditures eligible for the federal credit must claim and receive the federal tax credit to qualify for the Michigan credit. The qualified expenditures must be paid for the rehabilitation of a historic resource not more than five years after the certification of the rehabilitation plan.

The amount of the qualified expenditures must be equal to or greater than 10 percent of the State Equalized Value (SEV) of the rehabilitated property. If the historic resource to be rehabilitated is part of a historic or non-historic resource, only the SEV for that portion which is historic can be used. If the SEV has not been determined for the historic portion, or if the historic resource to be rehabilitated does not have an SEV, the total qualified expenditures must be equal to or greater than 5 percent of the resource's appraised value.

Special Instructions for Unitary Business Groups

The credit assignment is performed by the specific member that created the credit, not by the Unitary Business Group (UBG) as a whole.

Line-by-Line Instructions

Lines not listed are explained on the form.

Dates must be entered in MM-DD-YYYY format.

PART 1: ASSIGNOR IDENTIFICATION

Line 1: Enter the name and address of the Partnership, LLC, or S Corporation who is assigning the Michigan Historic Preservation Tax Credit. The assignor must be an owner or long-term lessee of a qualified historic resource.

Country Code: If other than the United States, enter the country code. See the list of country codes in the MBT Instruction Book on the Web at www.michigan.gov/taxes.

Line 3: Enter the assignor's account number.

Line 4: Enter the project number assigned by the SHPO.

Line 5: Enter the date the SHPO issued the certification of completed rehabilitation. This date is found either on the Historic Preservation Certification Application, Part 3, or

on the Michigan Verification of Tax Credit Eligibility letter received from the SHPO.

Line 6: Check the box that describes the organization type. A Trust or LLC should check the appropriate box based on its federal return.

Line 7: Check the method being used to assign the credit. If approval to use an alternative method is being requested, attach documentation explaining this method of assignment.

PART 2: CREDIT CALCULATION

Line 8: Enter the amount of the SEV for the historic resource to be rehabilitated.

Line 9: Enter the qualified expenditures for the rehabilitation of the historic resource. Qualified expenditures must be paid no more than five years after the certification of the rehabilitation plan.

Line 11: If eligible, the federal Rehabilitation Credit must first be claimed on *Investment Credit* (U.S. Form 3468). Enter the amount from U.S. Form 3468, **line XX**, for property located in Michigan. Enter only that portion of the credit that is based on the qualified expenditures reported on line 9.

PART 3: ASSIGNING THE CREDIT

Line 13: If the Partnership, LLC, or S Corporation is retaining a portion of the credit, enter the portion of the credit that is retained on line 13a. On the following lines, enter the portion of the credit that is assigned for each assignee partner, member, or shareholder. If more space is needed for listing the assignees, attach additional pages of the form identifying the name and account number at the top with only the applicable additional fields completed.

- **Column A:** Enter the account number of the assignee partner, member, or shareholder. If the assignee is a business, enter the Federal Employer Identification Number (FEIN) or Michigan Treasury (TR) assigned number. If an assignee is not a business, enter the Social Security number (SSN) of the nonbusiness assignee.

- **Column C:** An assigned credit amount must be claimed against the partner's, member's, or shareholder's MBT or Individual Income Tax liability in the fiscal or calendar year that includes the assignor's tax year-end. An Individual must claim the assigned credit amount in the calendar year in which the assignor's tax year ends.

- **Column D:** Enter the percentage of credit retained by the assignor and the percentage assigned to each partner, member, or shareholder. The method being used to assign the credit was indicated on line 7. If approval to use an alternative method is being requested, attach documentation explaining this method of assignment. The total of column D must equal 100 percent.

- **Column E:** Multiply the amount on line 12 by the percentage in column D. This is the amount of the assignee's credit which will appear in the approval letter from the Department. Each assignee must enter this amount on the *Michigan Historic Preservation Tax Credit* (Form 3581), line 7.

Signature: This form must be signed by the assignor to be valid.

Attachments

For this form to be valid, the Partnership, LLC, or S Corporation that is assigning the credit must attach the items listed below to the completed form:

- Historic Preservation Certification Application, Part 1, "Evaluation of Eligibility," signed and dated by the Michigan Historical Center, or the Michigan Verification of Resource Eligibility letter received from the SHPO.
- Historic Preservation Certification Application, Part 3, "Request for Certification of Completed Work," signed and dated by the Michigan Historical Center, or the Michigan Verification of Tax Credit Eligibility letter received from the SHPO.

To Claim the Assigned Credit

The assignor must give each assignee a copy of the letter issued by the Department with instructions to file the letter with the appropriate tax return, along with any required attachments. A Partnership, LLC, or S Corporation that is retaining a portion of the credit must submit the same information. DO NOT send a copy of this form with the annual return.

Mailing This Form

Mail this completed form and attachments to:

Michigan Department of Treasury
P.O. Box 30783
Lansing, MI 48909

Additional Information

- Questions regarding the assignment of the credit:
Michigan Department of Treasury
Michigan Business Tax area
(517) 636-4657
- Questions regarding federal and State certification:
State Historic Preservation Office
Michigan Historical Center
(517) 373-1630
- Other Information:
National Parks Service
www.nps.gov/history
Michigan Department of History, Arts and Libraries
www.michigan.gov/hal
- Forms and further information:
Michigan Department of Treasury
www.michigan.gov/taxes
Toll-free, 1-800-367-6263, to request forms by mail